

AMENDMENT #2 TO OPTION AGREEMENT
Moana Springs Aquatic Center

THIS AMENDMENT #2 TO OPTION AGREEMENT (this "Amendment") is entered into as of _____, 2017 by and between the **CITY OF RENO**, a Nevada Municipal corporation, (the "City" or "Optionor"), and **SIERRA NEVADA COMMUNITY AQUATICS INC.**, a Nevada non-profit 501(c)(3) corporation, ("SNCA" or "Optionee"). The City and SNCA are hereinafter collectively referred to as the "Parties".

RECITALS

- A. **WHEREAS**, the City and SNCA entered into that certain Memorandum of Understanding dated August 22, 2008;
- B. **WHEREAS**, the City and SNCA previously entered into that Option Agreement (the "Agreement") dated as of July 18, 2012;
- C. **WHEREAS**, Amendment #1 to the Option Agreement ("Amendment #1") was entered into on October 22, 2014, thereby extending the time for performance to July 18, 2017;
- D. **WHEREAS**, the Parties agree to further amend the Option Agreement as hereinafter set forth.

NOW, THEREFORE, for good and valuable consideration, the Parties agree as follows:

- 1. Section 2(a)-(b) of the Agreement shall be modified to read as follows:

- 2. Grant of option and consideration

- (a) In consideration of the following cash payments, made and to be made, to City by Optionee, Optionor hereby grants to Optionee the Option (as defined in Paragraph 2(b)):

- (i) \$1,000 upon the expiration of the Due Diligence Period (as defined in Paragraph 6); and,

- (ii) \$1,000 on the first (1st) anniversary of the Effective Date of this Agreement; and,

- (iii) \$1,000 on the second (2nd) anniversary of the Effective Date of this Agreement; and,

(iv) \$1,000 on the third (3rd) anniversary of the Effective Date of this Agreement; and,

(v) \$1,000 on the fourth (4th) anniversary of the Effective Date of this Agreement; and,

(vi) \$1,000 on the fifth (5th) anniversary of the Effective Date of this Agreement; and,

(vii) \$1,000 on the sixth (6th) anniversary of the Effective Date of this Agreement; and,

(viii) \$1,000 on the seventh (7th) anniversary of the Effective Date of this Agreement ((i), (ii), (iii), (iv), (v), (vi), (vii) and (viii) collectively, the “Option Consideration”).

(b) Optionor hereby grants and gives to Optionee, for the period commencing on the Effective Date of this Agreement and ending at 5 p.m. PST on the eighth (8th) anniversary of the Effective Date of this Agreement (the “Option Period”), the exclusive right and option (the “Option”) to lease the Project Site pursuant to the Lease Agreement substantially in the form attached hereto as Exhibit B. The term of the Lease Agreement shall commence on the date Optionee exercises the Option, shall continue through the period of construction of the Project, and shall expire on the thirtieth (30th) anniversary of the commencement date of the Lease. Notwithstanding any provision in this Paragraph 2(b) to the contrary, Optionee’s exercise of the Option prior to any scheduled payment shall automatically relieve Optionee from making any subsequent payment.

2. As amended hereby, the Option Agreement is ratified and confirmed and shall continue in full force and effect.

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IN WITNESS WHEREOF, Optionor and Optionee have executed this Amendment effective as of the date first written above.

OPTIONEE:

**SIERRA NEVADA COMMUNITY
AQUATICS INC., a Nevada non-profit
501(c)(3) corporation**

By: _____

Name: _____

Title: _____

OPTIONOR:

**CITY OF RENO, a Nevada municipal
corporation**

By: _____

Hillary Schieve,

Mayor

ATTEST: _____

City Clerk

APPROVED AS TO FORM:

By: _____

City Attorney's Office